

September 22, 2005

Commissioner Robert E. Nicolay
Chairman, Certificate of Need Program Task Force
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, MD 21215

Dear Commissioner Nicolay:

It has come to our attention that a task force commissioned by DHMH is entertaining a recommendation to eliminate the requirement of a CON to provide Home Health Services in Maryland. On behalf of Johns Hopkins Home Care Group, allow me to express our objection to this proposal.

Our concerns are related to equal access for Home Health Services for all Maryland residents. Many Home Health agencies are only interested in providing services to the Medicare population, and do not take under service Medicaid patients due to the level of Medicaid reimbursement. Eliminating the CON requirement could open the door for the for-profit agencies to infiltrate Maryland, providing services for Medicare patients only. Because of the patient mix, agencies that provide services to only Medicare and/or commercial patients will be able to pay higher wages to nurses and other staff than other agencies that provide services to all patients, including Medicaid. This will have serious negative impact on agencies such as ours committed to servicing all types of patients, a problem that will only stress an already difficult recruitment environment. Finally, if we are not adequately resourced to meet our patients' needs, Maryland residents with Medicaid or no insurance coverage at all, may not have access to Home Health Services. This may result in patients staying in hospitals longer, increasing health care costs for the State of Maryland. In sum, these events could render not-for-profit agencies financially insolvent, and therefore unable to continue to operate. We believe that this, perhaps unintended, but still a possible consequence, supports the continuation of CON coverage for home health care in this State.

If the CON requirement is in fact eliminated, I implore the State to at least require that any new agencies entering the market be required to service a certain percentage of Medicaid/MCO and/or uninsured patients.

Thank you for your consideration in this matter.

Sincerely,



Daniel B. Smith
President
Johns Hopkins Home Care Group